

MINUTES

**California Industrial Development
Financing Advisory Commission
915 Capitol Mall, Room 587
Sacramento, California
September 25, 2007**

1. CALL TO ORDER & ROLL CALL

Tricia Wynne, Acting Chair, called the California Industrial Development Financing Advisory Commission (CIDFAC) meeting to order at 10:35 a.m.

Members Present: Tricia Wynn for Chairman Bill Lockyer, State Treasurer
Anne Sheehan for Michael C. Genest, Director, Department of Finance
Cindy Aronberg (via teleconference) for John Chiang, State Controller
Preston DuFauchard, California Corporations Commissioner,
Department of Corporations
Stanton Hazelroth for Dale Bonner, Agency Secretary, Business,
Transportation and Housing Agency

Staff Present: Tom Dresslar, Executive Director

Quorum: The Acting Chair declared a quorum

2. APPROVAL OF AUGUST 28, 2007 MEETING MINUTES

Ms. Wynne asked if there were any comments on the August 28, 2007 meeting minutes. There were none.

Anne Sheehan moved to approve the minutes of the August 28, 2007 meeting. Upon a second, the minutes passed with the following vote: Stanton Hazelroth, Aye; Preston DuFauchard, Aye; Cindy Aronberg, Aye; Anne Sheehan, Aye; Tricia Wynne, Aye.

3. EXECUTIVE DIRECTOR'S REPORT

Tom Dresslar announced the November 27, 2007 board meeting will be rescheduled to December 3. He briefly discussed the CIDFAC Allocation Summary, noting that the \$2,340,375 over-subscription figure for the core IDB program is a "paper number" only. He said every core IDB project that requested allocation this year from the California Debt Limit Allocation Committee (CDLAC) will receive the requested allocation. Mr. Dresslar then stated that a Federal Empowerment Zone (FEZ) item is on this agenda. A FEZ is an area that receives funding and tax incentives from the federal government via local government agencies. Industrial Development Bond (IDB) financing for FEZ projects does not come out

of CIDFAC's allocation, Mr. Dresslar said, but state law still requires CIDFAC to approve the projects.

4. BUSINESS ITEMS

A. REQUEST TO APPROVE INITIAL AND FINAL RESOLUTION UNDER THE EMPOWERMENT ZONE BOND PROGRAM (EZB)

The Industrial Development Authority of the City of Santa Ana, the Issuer, on behalf of the Borrower, Ingardia Bros. Produce, Inc. requested approval of \$2,000,000 in Industrial Development Empowerment Zone (EZ) Bonds.

The City of Santa Ana received a direct, federal \$130 million EZ Bond allocation to issue tax-exempt bonds in its Empowerment Zone. Allocation from the State's tax-exempt bond cap is not required for EZ Bond financing requests such as this one.

The Company is a family-owned, wholesale distributor of a variety of fresh and frozen fruits, vegetables, seafood, dairy products, and other grocery products. It sells its products primarily to independent restaurant owners, schools, and hospitals, totaling approximately 1,500 customers. The Company currently operates a distribution facility in the City of Costa Mesa, but it is relocating to a site in the City of Santa Ana where it began construction of a new distribution facility in November 2006.

Bond proceeds will be used for the acquisition and installation of equipment at the new Santa Ana facility. In addition to the public benefits associated with financing a project in a Federal Empowerment Zone, the Project provides other public benefits. For example, the Company represents that, with the relocation from Costa Mesa to Santa Ana, it will retain all current employees and will hire an additional 33 employees within two years of Project completion.

The Company provided copies of its adopted resolution approving the financing, and proof of TEFRA which confirmed that there is no opposition to the project. Presented by – Deanna Hamelin.

Ms. Sheehan moved to approve the item; upon a second, Cindy Aronberg noted that the representatives from the City of Santa Ana had not yet arrived at the remote location in Los Angeles due to traffic congestion.

Ms. Wynne asked if the Board was comfortable moving ahead. As none of the board members had any questions or concerns, the vote was taken. The item passed with the following vote: Stanton Hazelroth, Aye; Preston DuFauchard, Aye; Cindy Aronberg, Aye; Anne Sheehan, Aye; Tricia Wynne, Aye.

5. PUBLIC COMMENT

Tricia Wynne asked for public comments. There were none.

6. ADJOURNMENT

Ms. Sheehan moved to adjourn. Upon a second, the motion passed with the following vote: Stanton Hazelroth, Aye; Preston DuFauchard, Aye; Cindy Aronberg, Aye; Anne Sheehan, Aye; Tricia Wynne, Aye.

There being no further business, public comments, or concerns, the meeting adjourned at 10:41 a.m.

Respectfully submitted,

Tom Dresslar
Executive Director